PROJECT AGREEMENT FOR PROPERTY TRANSACTION BETWEEN THE BOARD OF SCHOOL COMMISSIONERS OF THE CITY OF INDIANAPOLIS, FOR ITSELF AND ON BEHALF OF COLD SPRING SCHOOL, AND MARIAN UNIVERSITY

Property Terms

1. Marian University ("Marian") will purchase, in consideration of the assumption of the costs associated therewith as provided in paragraph 7 below, which costs are estimated on Exhibit A attached hereto, the Sommers Mansion, South Hall, and the Allen House, plus adjoining property as shown on the attached survey/map on the campus of Cold Spring School (the "Marian Property"). Such purchase will be in a condition of "as is", including but not limited to the existing technology infrastructure, furniture, fixtures and other items except for such items which Indianapolis Public Schools ("IPS") elects to remove. IPS, Cold Spring School and Marian will work cooperatively to redistribute anything stored in these facilities as needed. After the purchase, Marian shall be solely responsible for all costs associated with the Marian Property.

2. The IPS will maintain ownership of the current school building on the campus of Cold Spring School, plus adjoining property as shown on the drawing attached as Exhibit C.

3. The IPS Property shall be used solely for educational purposes related to IPS or a school or other educational body affiliated with IPS; provided, however, in no event shall it be used as a maintenance or storage facility except incidental maintenance and storage related to classroom use. In addition, IPS agrees not to use the IPS Property as a so-called "transition school" or similar school designed to reintroduce students who have been out of formal education for an extended period of time due to disciplinary matters. In addition, multi-family apartments shall specifically be excluded.

4. The Marian Property shall be used only for educational uses associated with Marian and educational organizations affiliated therewith. In no event shall the Marian Property be used for maintenance or storage facilities except including maintenance and storage related to office or classroom use or related solely or primarily to upkeep and maintenance of the Marian Property. In addition, no competition athletic fields (athletic fields used for practice or non-organized recreation shall be permitted), dormitories, or other student living spaces shall be permitted on the Marian Property. In addition, multi-family apartments shall be specifically excluded.

5. Marian will assume maintenance responsibility of the IPS Property (including but not limited to landscaping, mowing and snow removal and all utility costs related to the IPS Property), except for the interior and exterior of the school building for the period from the transfer of the Marian Property until December 31, 2029 (the "Initial Period"). The cost of such maintenance and the road and sidewalk maintenance in Section 7 below shall be referred to as the "Maintenance Expenses" and the Maintenance Expenses for the Initial Period
shall be the “Purchase Price” for the IPS Property. The estimated Maintenance Expenses to be incurred by Marian over the Initial Period is shown on Exhibit B attached hereto. The Purchase Price shall be the consideration for the transfer of the IPS Property from IPS to Marian as provided in Paragraph 9 below; provided, however, that if IPS causes the Transfer Date to occur before the end of the Initial Period, the Purchase Price shall still be deemed paid in full. Following the Initial Period, Marian shall be entitled to reimbursement of the reasonable Maintenance Expenses related to the IPS Property or IPS, at its election, may opt to perform such services on the IPS Property for itself.

6. Marian will assume all renovation, facility, maintenance and operational costs for South Hall, Sommers Mansion and Allen House, resulting in an estimated savings to IPS (and cost to Marian) over a ten year period as shown on Exhibit A.

7. Marian, Cold Spring School and IPS will grant each other any and all mutual easements required for the smooth functioning of all planned activities by the parties on the Cold Spring School campus. The mutual easements, including that related to the Nina Mason Pulliam EcoLab on the Marian property as provided below, will be granted via a reciprocal easement agreement, which shall be placed of record against title to both the IPS Property and the Marian Property.

8. Costs for the repair of shared roads and sidewalks and other shared areas (collectively, the “Shared Areas”) will be paid by Marian during the Initial Period and thereafter, the costs will split 50/50 between Marian and IPS, after the scope and cost of the project have been agreed to by all parties. Major expenses to the Shared Areas which (i) would be classified under GAAP as a capital expenditure and (ii) have an estimated cost in excess of $50,000, shall be amortized over the useful life of the improvements which is subject to such capital expenditure, as determined by GAAP, on a straight line basis. Any part of such amortization applicable to the Initial Period shall be paid by Marian and all amortized expenses applicable to the period after Initial Period shall be divided evenly between IPS and Marian. The amortization of the capital expenditure is solely for the purpose of allocating the share of such costs and payments related to the same will be due at the time of the work. Despite such allocation of the capital expenditure, if the Transfer Date, as defined below, occurs after the end of the Initial Period but before the year that the capital expenditure is fully amortized, IPS shall be entitled, on the Transfer Date, to a reimbursement of the part of the amortized capital expenditure paid by IPS which is applicable to the period after the Transfer Date.

9. Notwithstanding anything to the contrary in Section 8, the cost of any non-preventive repair or necessary capital expenditure, as classified under GAAP, in or to the Shared Areas in excess of $200,000, which is not covered by Marian’s insurance, shall be split equally between IPS and Marian after the scope and cost of the project have been agreed to by all parties. (For illustration purposes only, an example of this kind of expense would be a major sewer line collapse which causes catastrophic road or sidewalk damage.)

10. Marian, Cold Spring School and IPS will negotiate to their mutual benefit issues related to parking access, utility infrastructure and repairs, short-term or long-term use of each other’s facilities on the campus and all other logistical issues related to this transaction.
11. Subject to all conditions set forth elsewhere in this Project Agreement, upon the date IPS determines that the IPS Property is surplus and no longer required for educational purposes (the “Transfer Date”), IPS will transfer the IPS Property to Marian for the Purchase Price to the extent permitted by then applicable law and subject to the provisions below. The right to purchase the IPS Property is personal to Marian and shall be void and of no force and effect if the Marian Property has been conveyed to any other party. In the event that then current law requires that the IPS property must first be offered to charter schools or any other group or there are other legal prerequisites to IPS’ sale of the IPS property (the “Sale Conditions”), IPS agrees to use diligent and good faith efforts to remove the Sale Conditions in a timely manner; however, the transfer of the IPS Property to Marian shall be delayed until all Sale Conditions have been satisfied or otherwise removed. In the event, in the opinion of counsel for IPS, IPS is not permitted to transfer the property to Marian under then applicable law, IPS agrees, to the extent permitted by then applicable law, to enter into a long-term ground lease of the IPS Property to Marian for its sole use with a term of 99 years, under which Marian would be solely responsible for all costs, maintenance and expenses related to the IPS Property, and Marian shall have the right to develop the IPS Property. Moreover, to the extent possible under then current law, if IPS is required to convey the IPS Property to a charter school under the Sale Conditions, IPS shall use its best efforts to lease the property to the charter school instead of transferring fee title. IPS and Marian acknowledge and agree that improvements on the IPS Property have been funded by tax-exempt bonds which will not mature until 2029. The transfer of the IPS Property before the bonds mature could affect the tax-exempt status of the bonds. In the event that date of transfer is prior to the earlier of (i) December 31, 2029 or (ii) the date the bonds affecting the IPS Property have been paid in full (the “Bond Maturity Date”), the transfer date shall be delayed until the Bond Maturity Date, unless counsel for Marian and counsel for IPS agree on a mechanism to transfer the IPS Property, without affecting the tax-exempt status of the bonds or increasing IPS’ obligations thereunder. If Marian desires to proceed with the transfer of the IPS Property prior to the Bond Maturity Date, despite IPS’ desire to delay transfer until after the Bond Maturity Date, Marian agrees to reimburse IPS for all costs and expenses related to the process of completing the transfer without affecting the tax-exempt bonds, including IPS’ reasonable attorney fees.

12. No later than December 31, 2029, IPS shall deed the IPS Property to Marian provided that such deed shall be a springing executory interest, to be effective when IPS determines that the IPS Property is surplus and no longer required for educational purposes. The granting clause of the deed shall be drafted as determined by counsel for IPS and Marian, working reasonably and in good faith, is required to create a valid and binding transfer of the fee interest which confirming IPS’ right to continue the right to use the IPS Property so long as it operates a school thereon.

School Partnership Provisions

1. Cold Spring School will be treated as a Marian “lab school”, and will serve as a primary site for undergraduate and graduate teacher education field experiences and student teaching. Marian will provide clinical coordinator staff support for this (at an estimated cost of $100,000/year), of which 1/5 will be dedicated to Cold Spring School for a cost of $20,000/year.
2. Marian’s faculty in the School of Education and Exercise Science, School of Mathematics and Sciences and other areas will provide ongoing continuing education for Cold Spring School teachers. Marian will provide release time and stipends for faculty at an estimated cost of $15,000/year.

3. Marian will provide special tuition discounts of up to 25% for Cold Spring teachers who enroll in graduate programs at Marian up to a total of $10,000 annually.

4. Marian will provide free access to its library and other educational resources to Cold Spring teachers at an estimated value of $5,000/year.

5. Marian will provide access to Marian’s facilities, including but not limited to labs, athletic facilities and classrooms to Cold Spring School as needed, with no rental fee, subject to availability. Marian acknowledges that Cold Spring School is currently using Allen House for classroom and other education uses and that such use shall be permitted to continue but that Allen House shall be available for Marian’s use during non-school hours. Marian will also provide IPS with the right to use the Sommers Mansion for events and receptions, subject to availability.

6. Marian will maintain the natural areas adjacent to the Nina Mason Pulliam EcoLab on the Marian property, and will provide an easement regarding IPS’ use of natural areas available to Cold Spring School and all IPS students for STEM educational experiences as desired. Marian also will offer discounted pricing for on-site EcoLab programming to Cold Spring School and other IPS schools. Marian’s investment will include an additional full-time restoration ecologist and other staff, honeysuckle removal, trail maintenance and new signage, as well as program discounts. The estimated costs are $150,000/year plus one-time costs of $225,000.

7. Marian will install and maintain a safe, lighted multi-modal pathway allowing easy access between Cold Spring School and Marian along Cold Spring Road, at an estimated cost of $500,000.

8. Marian will offer up to 10 tuition scholarships for IPS students in the 21st Century Scholars program annually with a focus on Cold Spring School graduates who want to be pre-med, science or STEM teachers after high school. The estimated value of these scholarships is $20,000 each for four years, for an annual value of $800,000.

9. Marian student, faculty and staff volunteers will provide student support through tutoring, mentoring and participation in other student support and enrichment activities at Cold Spring School. Marian will provide staff to coordinate these activities at an approximate cost of $10,000/year.

10. Marian will work with Cold Spring School leadership and donors to establish and fund Promise Indiana 529 Plan accounts for all 1st grade students at Cold Spring School annually, starting in 2016, and will incentivize participation by students in higher grades. Marian will solicit donors to fund seed and matching funds for the Cold Spring School 529 plans, with an estimated annual benefit to Cold Spring School of $50,000.
General Terms

1. The purpose of this Project Agreement is to assist IPS and Marian in the drafting of definitive agreements necessary to effectuate the terms outlined herein. Until such time as the respective governing boards of IPS and Marian approve this Project Agreement and the definitive agreements are executed, the contents of this Project Agreement shall not be binding on either party.

2. The term of the definitive agreement regarding School Partnership Provisions shall end on the earlier of (i) the date on which a charter school or other entity not affiliated with IPS operates or occupies the IPS Property, or (ii) ten years from the date of commencement. The anticipated cost to Marian of the School Partnership Provisions is shown in the School Partnership Section above. IPS recognizes the relationship between Marian and the Cold Springs School and shall cooperate with regard to fostering such relationship.

3. The term of definitive agreement regarding the transfer of the IPS Property to Marian shall last until the earlier of (i) the date on which the IPS Property is transferred to Marian, (ii) ninety-nine (99) years from the transfer of the Marian Property, or (iii) upon written notice from Marian to IPS, delivered after the Initial Period, stating that Marian has waived its rights regarding the transfer of the IPS Property.

4. The Reciprocal Easement Agreement shall be perpetual.

The parties hereto agree to the provisions set forth above, effective as of the date of the last signature set forth below.

"IPS"
The Board of School Commissioners of the City of Indianapolis

By: ____________________________
Name: __________________________
Title: __________________________
Date: ________________

"Marian"
Marian University

By: ____________________________
Name: __________________________
Title: __________________________
Date: ________________

By: ____________________________
Name: __________________________
Title: __________________________
Date: ________________
MU Program Commitments

These expenses outline program commitments Marian University is

<table>
<thead>
<tr>
<th>Expense Category</th>
<th>Est. 10 Year Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical coordinator staff support (1/4 FTE)</td>
<td>286,596.98</td>
</tr>
<tr>
<td>MU Faculty School of Ed &amp; Exercise Science (continuing ed)</td>
<td>150,000.00</td>
</tr>
<tr>
<td>Tuition discounts</td>
<td>100,000.00</td>
</tr>
<tr>
<td>Free access to Library and other Education Resources</td>
<td>50,000.00</td>
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<tr>
<td>Ecolab sustainability/management</td>
<td>425,000.00</td>
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<tr>
<td>Ecolab scholarships</td>
<td>50,000.00</td>
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<tr>
<td>Student scholarships (IPS STEHM 21st Century) (pref CSS, but avail all IPS)</td>
<td>1,500,000.00</td>
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<tr>
<td>Coordination of volunteer activities</td>
<td>100,000.00</td>
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<tr>
<td>S2G Plan</td>
<td>125,000.00</td>
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<tr>
<td>CSS use of MU facilities (e.g. theatre, athletics)</td>
<td>10,000.00</td>
</tr>
<tr>
<td>Connection/pathway to between campuses (30% of total cost)</td>
<td>150,000.00</td>
</tr>
<tr>
<td>MU leadership and support</td>
<td>500,000.00</td>
</tr>
<tr>
<td><strong>Total MU Investment</strong></td>
<td><strong>3,446,596.98</strong></td>
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</table>
EXHIBIT B

Cold Spring School Property Expenses

These expenses outline the estimated expenses associated with the school building and school building property, except building shell and internal maintenance and custodial operations. These expenses will suffice as the purchase price of the school. In other words, these

<table>
<thead>
<tr>
<th>Expense Category</th>
<th>Est. 13 Year Cost</th>
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<tbody>
<tr>
<td>Utilities</td>
<td>1,375,497.51</td>
</tr>
<tr>
<td>Grounds Maintenance (A)</td>
<td>107,900.00</td>
</tr>
<tr>
<td>Road Infrastructure Maintenance (B)</td>
<td>313,000.00</td>
</tr>
<tr>
<td><strong>Total MU Additional Expense</strong></td>
<td><strong>1,796,397.51</strong></td>
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</tbody>
</table>

(A) includes plantings, snow removal, mowing, etc.
(B) includes 1,000 a year for incidentals and 100K every 5